



General Assembly

January Session, 2013

Raised Bill No. 1024

LCO No. 3508



Referred to Committee on HUMAN SERVICES

Introduced by:
(HS)

***AN ACT CONCERNING REIMBURSEMENT OF EMERGENCY ROOM
PHYSICIANS FOR TREATMENT OF MEDICAID RECIPIENTS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-239 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2013*):

3 (a) For purposes of this section "reasonable cost" means the cost for
4 an efficient and economically operated facility to care for a patient,
5 computed in accordance with accepted principles of hospital cost
6 reimbursement. The rate to be paid by the state to hospitals receiving
7 appropriations granted by the General Assembly and to freestanding
8 chronic disease hospitals, providing services to persons aided or cared
9 for by the state for routine services furnished to state patients, shall be
10 based upon reasonable cost to such hospital, or the charge to the
11 general public for ward services or the lowest charge for semiprivate
12 services if the hospital has no ward facilities, imposed by such
13 hospital, whichever is lowest, except to the extent, if any, that the
14 commissioner determines that a greater amount is appropriate in the
15 case of hospitals serving a disproportionate share of indigent patients.

16 Such rate shall be promulgated annually by the Commissioner of
17 Social Services. Nothing contained in this section shall authorize a
18 payment by the state for such services to any such hospital in excess of
19 the charges made by such hospital for comparable services to the
20 general public. [Notwithstanding the provisions of this section, for the
21 rate period beginning July 1, 2000, rates paid to freestanding chronic
22 disease hospitals and freestanding psychiatric hospitals shall be
23 increased by three per cent. For the rate period beginning July 1, 2001,
24 a freestanding chronic disease hospital or freestanding psychiatric
25 hospital shall receive a rate that is two and one-half per cent more than
26 the rate it received in the prior fiscal year and such rate shall remain
27 effective until December 31, 2002. Effective January 1, 2003, a
28 freestanding chronic disease hospital or freestanding psychiatric
29 hospital shall receive a rate that is two per cent more than the rate it
30 received in the prior fiscal year. Notwithstanding the provisions of this
31 subsection, for the period commencing July 1, 2001, and ending June
32 30, 2003, the commissioner may pay an additional total of no more
33 than three hundred thousand dollars annually for services provided to
34 long-term ventilator patients. For purposes of this subsection, "long-
35 term ventilator patient" means any patient at a freestanding chronic
36 disease hospital on a ventilator for a total of sixty days or more in any
37 consecutive twelve-month period.] Effective July 1, 2007, each
38 freestanding chronic disease hospital shall receive a rate that is four
39 per cent more than the rate it received in the prior fiscal year.

40 (b) Effective October 1, 1991, the rate to be paid by the state for the
41 cost of special services rendered by such hospitals shall be established
42 annually by the commissioner for each such hospital based on the
43 reasonable cost to each hospital of such services furnished to state
44 patients. Nothing contained in this subsection shall authorize a
45 payment by the state for such services to any such hospital in excess of
46 the charges made by such hospital for comparable services to the
47 general public.

48 (c) [The term "reasonable cost" as used in this section means the cost

49 of care furnished such patients by an efficient and economically
50 operated facility, computed in accordance with accepted principles of
51 hospital cost reimbursement.] The commissioner may adjust the rate of
52 payment established under the provisions of this section for the year
53 during which services are furnished to reflect fluctuations in hospital
54 costs. Such adjustment may be made prospectively to cover anticipated
55 fluctuations or may be made retroactive to any date subsequent to the
56 date of the initial rate determination for such year or in such other
57 manner as may be determined by the commissioner. In determining
58 ["reasonable cost"] reasonable cost the commissioner may give due
59 consideration to allowances for fully or partially unpaid bills,
60 reasonable costs mandated by collective bargaining agreements with
61 certified collective bargaining agents or other agreements between the
62 employer and employees, provided "employees" [shall] does not
63 include persons employed as managers or chief administrators,
64 requirements for working capital and cost of development of new
65 services, including additions to and replacement of facilities and
66 equipment. The commissioner shall not give consideration to amounts
67 paid by the facilities to employees as salary, or to attorneys or
68 consultants as fees, where the responsibility of the employees,
69 attorneys or consultants is to persuade or seek to persuade the other
70 employees of the facility to support or oppose unionization. Nothing
71 in this subsection shall prohibit the commissioner from considering
72 amounts paid for legal counsel related to the negotiation of collective
73 bargaining agreements, the settlement of grievances or normal
74 administration of labor relations.

75 (d) The state shall also pay to such hospitals for each outpatient
76 clinic and emergency room visit a reasonable rate to be established
77 annually by the commissioner for each hospital, such rate to be
78 determined by the reasonable cost of such services. [The emergency
79 room visit rates in effect June 30, 1991, shall remain in effect through
80 June 30, 1993, except those which would have been decreased effective
81 July 1, 1991, or July 1, 1992, shall be decreased.] Nothing contained in

82 this subsection shall authorize a payment by the state for such services
83 to any hospital in excess of the charges made by such hospital for
84 comparable services to the general public. For those outpatient
85 hospital services paid on the basis of a ratio of cost to charges, the
86 ratios in effect June 30, 1991, shall be reduced effective July 1, 1991, by
87 the most recent annual increase in the consumer price index for
88 medical care. For those outpatient hospital services paid on the basis of
89 a ratio of cost to charges, the ratios computed to be effective July 1,
90 1994, shall be reduced by the most recent annual increase in the
91 consumer price index for medical care. [The emergency room visit
92 rates in effect June 30, 1994, shall remain in effect through December
93 31, 1994.] The Commissioner of Social Services shall establish a fee
94 schedule for outpatient hospital services to be effective on and after
95 January 1, 1995, and may annually modify such fee schedule if such
96 modification is needed to ensure that the conversion to an
97 administrative services organization is cost neutral to hospitals in the
98 aggregate and ensures patient access. Utilization may be a factor in
99 determining cost neutrality for the fiscal year ending June 30, 2013.
100 Except with respect to the rate periods beginning July 1, 1999, and July
101 1, 2000, such fee schedule shall be adjusted annually beginning July 1,
102 1996, to reflect necessary increases in the cost of services.
103 [Notwithstanding the provisions of this subsection, the fee schedule
104 for the rate period beginning July 1, 2000, shall be increased by ten and
105 one-half per cent, effective June 1, 2001. Notwithstanding the
106 provisions of this subsection, outpatient rates in effect as of June 30,
107 2003, shall remain in effect through June 30, 2005.] Effective July 1,
108 2006, subject to available appropriations, the commissioner shall
109 increase outpatient service fees for services that may include clinic,
110 emergency room, magnetic resonance imaging, and computerized
111 axial tomography.

112 (e) An emergency room physician may enroll separately as a
113 Medicaid provider and qualify for direct reimbursement for
114 professional services provided in the emergency room of a hospital to

115 a Medicaid recipient, including services provided on the same day the
116 Medicaid recipient is admitted to the hospital. The rate paid by the
117 commissioner to any such emergency room physician shall be the
118 Medicaid rate already in effect for such services as of January 1, 2012,
119 for applicable Current Procedural Terminology (CPT) codes developed
120 by the American Medical Association. The commissioner may adjust
121 the rates for applicable CPT codes to assure that such direct
122 reimbursement does not result in additional cost to the state. No such
123 adjustment shall affect the rates paid to hospitals.

124 ~~[(e)]~~ (f) The commissioner shall adopt regulations, in accordance
125 with the provisions of chapter 54, establishing criteria for defining
126 emergency and nonemergency visits to hospital emergency rooms. All
127 nonemergency visits to hospital emergency rooms shall be paid at the
128 hospital's outpatient clinic services rate. Nothing contained in this
129 subsection or the regulations adopted [hereunder] under this section
130 shall authorize a payment by the state for such services to any hospital
131 in excess of the charges made by such hospital for comparable services
132 to the general public.

133 ~~[(f)]~~ (g) On and after October 1, 1984, the state shall pay to an acute
134 care general hospital for the inpatient care of a patient who no longer
135 requires acute care a rate determined by the following schedule: For
136 the first seven days following certification that the patient no longer
137 requires acute care the state shall pay the hospital at a rate of fifty per
138 cent of the hospital's actual cost; for the second seven-day period
139 following certification that the patient no longer requires acute care the
140 state shall pay seventy-five per cent of the hospital's actual cost; for the
141 third seven-day period following certification that the patient no
142 longer requires acute care and for any period of time thereafter, the
143 state shall pay the hospital at a rate of one hundred per cent of the
144 hospital's actual cost. On and after July 1, 1995, no payment shall be
145 made by the state to an acute care general hospital for the inpatient
146 care of a patient who no longer requires acute care and is eligible for
147 Medicare unless the hospital does not obtain reimbursement from

148 Medicare for that stay.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2013	17b-239
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Statement of Purpose:

To establish reimbursement for emergency room physicians who are enrolled as Medicaid providers and provide professional services to Medicaid patients in a hospital emergency room.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]